

David Zeglen, "Political Economies of Basic Income," *Lateral* 7.2(2018).

<https://doi.org/10.25158/L7.2.9>

This content is licensed under a Creative Commons Attribution 4.0 International License. Copyright is retained by authors.

Issue 7.2 (Fall 2018)

Universal Basic Income

Introduction: Political Economies of Basic Income

David Zeglen

ABSTRACT Basic income is an idea almost as old as capitalism itself, appearing very early in the course of its historical development. The emergence of the idea of a basic income in the first few centuries of capitalism's development in England became inextricably linked to economic crisis. Unsurprisingly, interest in basic income plans have resurfaced yet again in the post-2008 conjuncture. Current debates about basic income often invoke the framework of a morality play about personal responsibility, work ethic, and frugality that obfuscate organic features of the capitalist social formation, such as economic crisis. Therefore, this forum returns to the Marxist approach to answer the persistent questions that basic income provokes, and to help enlarge the Left debate on basic income that exists on the margins of public discourse.

Basic income is an idea almost as old as capitalism itself, appearing very early in the course of its historical development. After the moment of primitive accumulation in England, the Tudor regime began to codify the English Poor Laws in an attempt to offer subsistence support in the form of money, food, or clothing via local parishes to newly displaced workers. As Ellen Mieksins Wood argues, "in the sixteenth century—in the early years of capitalist development and just at the moment when critics were beginning to cite enclosure as a major social problem—England established the first systematic, national and state-regulated 'welfare' program [the Poor Laws] in response to the apparent threat to social order arising from the expropriation of direct producers and a growing population of propertyless 'masterless men.'"¹

But this particular historical conjuncture was also defined by a significant second step in the history of primitive accumulation: the state's simultaneous war on these propertyless masterless men via what Marx referred to as "bloody legislation."² Since the newly dispossessed proletariat could be neither fully absorbed nor immediately adapt to the workplace discipline of said manufactures if employed, legislation was passed to enact great violence on the dispossessed to socialize the proletariat into the disciplinary apparatus of capital. As Marx enumerates, this legislation entailed the legalization of imprisonment, whipping, enslavement, flogging, branding, and mutilation of beggars and vagabonds; the legal regulation of wages to ensure profits for capitalists; and finally, the nullification and prohibition of worker's trade unions. Thus, while the early capitalist state apparatus developed an inchoate welfare system, it simultaneously enacted ruthless violence on its newly-proletarianized beneficiaries.

In the midst of the Industrial Revolution, the English Poor Laws were further amended with the Berkshire Bread Act of 1795, better known as the Speenhamland system. The Speenhamland system introduced a proto-basic income scheme paid out of council rates that gave a subsistence wage based on the price of bread and the size of the receiving family to thousands of poor farm workers in the south of England. According to E. P. Thompson, the Berkshire legislation was prompted by structural problems that had been building for decades: an exceptionally severe winter in 1794 which led to mass crop

failure had been compounded by inflation driven by continual war and loss of income from home manufacture due to the industrialization of production in the north. The persistence of bloody legislation also continued despite the fact that the capitalist mode of production had become relatively self-sufficient enough to not require such brutal extra-economic violence. Despite this, as Marx states, “the ruling classes were unwilling to be without the weapons of the old arsenal in case some emergency should arise.”³ Thus, the economic crisis that climaxed in 1795 with an upsurge in food riots was predicated on the persistence of the moral economy as well as continuing social conditions of dispossession and bloody legislation.⁴

In summary, although contemporary workers in the core of the world-system are, for the most part, left to the “natural laws of production,” i.e. their market dependence on capital that springs from the conditions of production itself, during the historical emergence of the capitalist mode of production, the growing bourgeoisie was heavily reliant upon the power of the state in order to make a profit. Thus, the emergence of the idea of a basic income in the first few centuries of capitalism’s development in England became inextricability linked to the social conditions of dispossession, the criminalization of vagabondage, and economic crisis. As Meiksins Wood argues, this is because “the state must help to keep alive a propertyless population which has no other means of survival when work is unavailable, maintaining a ‘reserve army’ of workers through the inevitable cyclical declines in the demand for labor” even while this propertyless population is being dispossessed and brutally abused.⁵

While primitive accumulation and bloody legislation has mostly shifted to the periphery of the world-system, basic income in the core remains linked to economic crisis, albeit under the mediating influence of different socio-political conditions. As Peter Sloman confirms in his survey of basic income schemes throughout the 20th century, proposals for basic income historically tend to appear during a crisis of capitalism.⁶ For instance, the Great Depression provoked the Roosevelt administration into providing a continued income after the age of 65 to the elderly via social security. The economic crisis of 1957–61 followed by the “rediscovery of poverty” during the recessionary 1960s also generated a flurry of basic income proposals during the decade ranging from Milton Friedman’s negative income tax and the Nixon administration’s proposed Family Assistance Plan to John Kenneth Galbraith’s cowritten letter to Congress in the *New York Times* arguing for a basic income for all Americans.⁷ The letter also prefigured a series of basic income pilot programs across North America, including four in the United States and a five-year federally-funded program in Dauphin, Canada, beginning in 1973. The collapse of the post-war settlement in the 1980s also saw the concomitant rise of the Basic Income Earth Network, a network of academics and activists dedicated to promoting and implementing universal basic income schemes in countries all around the world.⁸

Unsurprisingly, interest in basic income plans has resurfaced yet again in the post-2008 conjuncture. While new basic income pilot programs have been launched in The Netherlands, Finland, Namibia, and India (among other countries), an eclectic cast of American academics, activists, politicians, and Silicon Valley venture capitalists have also called for some form of basic income.⁹ Certainly, it seems undeniable that general support for basic income is more popular than ever. However, debate over basic income has also intensified, resulting in significant disagreements over competing models (targeted, universal, or the negative tax), the long-term economic impacts of any scheme, and strategic questions about political progressivism. Is universal basic income a “revolutionary reform,” capable of facilitating deeper transformations in social relations?¹⁰ Or is a basic income, universal or otherwise, merely a technocratic fix for managing and pacifying an increasingly precarious working class?¹¹ Does basic income encourage

idleness or does it lead to more liberating effects in terms of leisure time?¹² What impact would basic income have on the functioning of the market?

Interestingly, these very same questions about basic income were also being asked by a royal commission of the British parliament during a reevaluation of the English Poor Laws and the Speenhamland system in 1832, thus highlighting the enduring problems the idea of a basic income provokes in the public imaginary.¹³ Marx and Engels likewise took up the challenge of answering these questions about Speenhamland in their own respective analyses of the English working class.¹⁴ Although drawing on parliamentary documents like the royal commission's report, Marx and Engels' methodology for assessing Speenhamland differed considerably from the bourgeois approach of the royal commission: while Marx and Engels addressed the structural sources of inequality under capitalism that led to the emergence of a basic income scheme, the royal commission invoked crude applications of an already dubious Malthusian framework to assess the conditions of poverty in England in relation to Speenhamland.

The underlying motivation of this forum on basic income is to respond to the fact that this bourgeois approach to answering these perennial questions continues to dominate contemporary public discourse. As Fred Block and Margaret Somers point out, politicians and policy experts continue to consult the royal commission's report on Speenhamland to deliberate the merits and shortcomings of contemporary basic income proposals.¹⁵ In short, current debates about basic income often invoke the framework of a morality play about personal responsibility, work ethic, and frugality that obfuscate organic features of the capitalist social formation, such as economic crisis. Therefore, this forum returns to the Marxist approach to answer the persistent questions that basic income provokes and to help enlarge the Left debate on basic income that exists on the margins of public discourse.¹⁶

This approach involves specific methodological principles that also represent an underutilized tradition within cultural studies. For instance, this forum's contributors remain committed to understanding the idea of basic income in relation to the social totality, which involves understanding the relations that exist between the political, economic, and socio-cultural realms, with an "emphasis on the critique of political economy."¹⁷ As this introduction suggests, this approach also involves applying a dialectical historical logic that both situates basic income within the contingencies of a given conjuncture, and understands how a given conjuncture is historically conditioned by larger structural processes.¹⁸ This forum's contributors therefore use Marxist theory as their entry point into questions about basic income.

In my own piece in the forum, "[Basic Income as Ideology from Below](#)," I theorize that the demand for a basic income emerges from the material inversion of social relations that occurs under capitalism. According to Marx, the inversion of material social relations appears as what they are—social relations mediated by things—which occurs on the level of the exchange-form, not on the level of consciousness. Considered from the vantage point of fetishism and common sense, I therefore suggest that basic income demands are rational rather than the product of false consciousness, which in turn informs how the Left should organize "good sense" to win workers over into a hegemonic alliance.

[Caroline West](#) considers what effects a universal basic income could have on disrupting social and economic inequality in the tensions of the urban-rural divide. As Marx points out, capitalism naturalizes "a hierarchical division in the social and economic order with the 'separation of town and country and to the conflict of their interests.' Urban cities are treated as the valuable center of capitalist and intellectual labor," while "rural areas are relegated to the peripheral, lesser valued physical labor." West therefore frames her

inquiry on the political economy of land and labor in the collapse of coal industry “company towns” and its structural aftermath in Central Appalachia.

[Kimberly Klinger](#) explores whether universal basic income presents an opportunity for more meaningful work. As Marx argues, labor under capitalism alienates humans from not only the products of their labor, but from their very nature. Furthermore, Klinger elaborates, “capitalist labor presents a ‘double freedom’ for the worker that is, of course, anything but free: the freedom either to work for an exploitive boss or to refuse and starve.” Klinger notes that “universal basic income seemingly allows for a way out of such a conundrum,” but questions whether it would “open the door to allow humanity to regain their status as ‘species-beings’” or merely contribute to the continued denigration of social relations under capital.

Finally, drawing upon the Marxist-feminist tradition of the Wages for Housework movement, [Lindsey Macdonald](#) applies theories of labor decommodification, market socialism, and social reproduction to argue that universal basic income is a contradictory perspective with both reactionary and progressive undercurrents. However, Macdonald urges caution, rather than dismissal of the universal basic income perspective. While refuting more conventional economic analyses that lead to common refrains against universal basic income, Macdonald suggests possible ways to bend universal basic income towards more explicitly socialist aims.

Notes

1. Ellen Meiksins Wood, *Empire of Capital* (London: Verso, 2005), 18. [↗](#)
2. Karl Marx, *Capital, Volume 1* (London: Penguin, 1990), 896–904. [↗](#)
3. Marx, *Capital, Volume 1*, 902. [↗](#)
4. E.P. Thompson, *The Making of the English Working Class* (New York: Vintage, 1966), 64–67, 142–143. [↗](#)
5. Wood, *Empire of Capital*, 18. [↗](#)
6. Peter Sloman, “Universal Basic Income in British Politics, 1918–2018: From a ‘Vagabond’s Wage’ to a Global Debate,” *Journal of Social Policy* 47, no. 3 (December 2017). [↗](#)
7. Jyotsna Sreenivasan, “A Statement by Economists on Income Guarantees and Supplements,” *Poverty and the Government in America: A Historical Encyclopedia*, Vol. 1 (Santa Barbara: ABC-CLIO, 2009), 269. [↗](#)
8. Basic Income Earth Network, <https://basicincome.org>. [↗](#)
9. For instance, the Movement for Black Lives platform and the widely circulated Leap Manifesto include calls for a basic income. Mark Zuckerberg, Elon Musk, and Jeff Bezos have endorsed basic income, as have Jimmy Carter, Hillary Clinton, Barack Obama, Joe Biden, and Bernie Sanders, amongst others. Academics who support basic income include Robert Reich, Charles Murray, Philippe Van Parijs, David Graeber, and Nick Srnicek. Switzerland also became the first country in the world to vote on a universal basic income in 2016, which would have provided monthly payments equivalent to \$2,550 for every adult resident. However, Swiss voters overwhelmingly rejected the proposal. [↗](#)
10. Peter Frase, *Four Futures: Life after Capitalism* (London: Verso, 2016). [↗](#)
11. Frederick Harry Pitts, Lorena Lombardozi, and Neil Warner, “The Future of Social Democracy: Speenhamland, Automation and the Basic Income: A Warning from History?” *Renewal* 25, no. 3–4 (2017) 145–155. [↗](#)
12. Jan-Emmanuel De Neve and George Ward, “Happiness at Work,” *Saïd Business School Working Paper* (2017), <http://dx.doi.org/10.2139/ssrn.2943318>. [↗](#)

13. Nassau William Senior, "Poor Law Commissioners' Report of 1834," <http://oll.libertyfund.org/simple.php?id=1461>. ↗
14. Karl Marx, *Capital*, vol. 1 (London: Penguin, 1990); Fredrich Engels, *The Condition of the Working Class in England* (Oxford: Oxford University Press, 2009). ↗
15. Fred Block and Margaret Somers, "In the Shadow of Speenhamland: Social Policy and the Old Poor Law," *Politics & Society* 31, no. 2 (June 2003), 283–323. Block and Somers also mention that Karl Polanyi's analysis of Speenhamland in *The Great Transformation* is frequently consulted to determine the viability of basic income schemes. ↗
16. "One Question: Universal Basic Income," *State of Nature*, July 30, 2018, <http://stateofnatureblog.com/one-question-universal-basic-income/>. ↗
17. Randall K. Cohn, Sara Regina Mitcho, and John M. Woolsey, "Cultural Studies: Always Already Disciplinary," *Renewal of Cultural Studies*, ed. Paul Smith (Philadelphia: Temple University Press, 2011), 32. ↗
18. Paul Smith, "Birmingham–Urbana–Champaign 1964–1990; or, Cultural Studies," *A Companion to Critical and Cultural Theory*, ed. Imre Szeman, Sarah Blacker, and Justin Sully (Hoboken, NJ: John Wiley & Sons Ltd, 2017), 65. ↗

 [Bio](#)



David Zeglen

David Zeglen is a PhD candidate in the Cultural Studies program at George Mason University. For his dissertation, he is researching the applicability of Trotsky's concept of uneven and combined development as a theory of cultural globalization. He is currently co-editing a special issue of *Celebrity Studies* with Neil Ewen on right-wing populist celebrity politicians in Europe due out in 2019. He is also working on an article about the rise of Cultural Marxism as an anti-Semitic conspiracy theory in the United States.

